



Natural Resources Conservation Service
6013 Lakeside Blvd.
Indianapolis, IN 46278

February 20, 2008

INDIANA BULLETIN NO. 300-8-10

SUBJECT: LTP – Environmental Quality Incentives Program (EQIP) Cover Crop Practice Requirements

Action Due by March 4, 2008

Purpose: To provide additional guidance for implementing cover crops under FY08 EQIP.

Expiration Date: September 30, 2008

Background: For FY 08 EQIP, the use of cover crops was encouraged for the multiple benefits they provide. Previously cover crops were listed as structural practices with a one year life span and the 2008 Indiana EQIP Guidelines were written to lift the acreage caps and other restrictions from previous years' EQIP Guidelines. This was done to support the benefits of cover crops on a larger scale.

In 2008, the National Headquarters Technology staff defined cover crops as a vegetative practice with a one year life span and therefore eligible for a one time only payment in a contract.

Indiana, along with several other states, already had 2008 EQIP contracts that were signed and obligated with multiple years of cover crops in a field in the contract. To address this difference we were give the opportunity to use cover crops as a management practice for 2008. This allows us to make payments more than one time, but does restrict us to no more than three years of payments for cover crops.

This change causes cover crops to be treated the same as other three (3) year management (incentive) practices which are eligible for only three (3) consecutive annual payments. It does not establish any other restrictions and has no impact on other requirements for cover crops.

Implementation:

Obligated Contracts:

District Conservationists shall review obligated 08 EQIP contracts in their respective Service Centers and modify all contracts that contain more than three (3) annual payments for cover crops. These contracts shall be modified to include only three (3) consecutive annual payments for cover crops. The modifications should be done to include acreage and the scheduled years that are to the greatest advantage of the participant. The modifications will require the participants' signature. There are 12 obligated contracts statewide that require this action and they are listed in attachment A.

This action is a general program requirement that applies to all EQIP applicants and therefore is **not** an appealable item. If participants do not want to sign the modified contracts for three (3) years of cover crops, then the original contract must be terminated per our normal contract termination procedures. Cost recovery and liquidated damages will be waived on these terminations as this action is beyond the control of the participant. The participant will have full appeal rights on any terminated contracts.

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Preapproved Applications:

Preapproved applications that contain more than three (3) annual payments for cover crops shall be edited to receive only three (3) consecutive annual payments for cover crops. These changes will require that the application be reviewed again for Quality Assurance.

Other Applications:

Applications in any other status that contain more than three (3) annual payments for cover crops will need to be edited to receive only three (3) consecutive annual payments for cover crops only if they are being submitted to the Area Program Specialist for QA review.

Questions concerning this bulletin may be directed to Jim Dunaway, Programs, 317-290-3200, ext. 334.

/s/

JANE E. HARDISTY
State Conservationist

Attachment